



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, AUGUST 17, 2006
WWW.USDOJ.GOV

CIV
(202) 514-2007
TDD (202) 514-1888

LOUISIANA MEDICAL CENTER TO PAY UNITED STATES \$3.8 MILLION TO SETTLE ALLEGATIONS OF FRAUD

WASHINGTON - Our Lady of Lourdes Regional Medical Center has agreed to pay the United States \$3.8 million to settle claims that they defrauded Medicare, TRICARE and Medicaid from 1999 to 2003, the Justice Department and the U.S. Attorney for the District of Western Louisiana announced today.

Today's civil settlement resolves allegations that the Lafayette, La., facility violated the False Claims Act by submitting claims for medically unnecessary elective angiogram, medically unnecessary elective angioplasty, and medically unnecessary elective stenting procedures performed at the hospital by Dr. Mehmood Patel between from 1999 to 2003.

"Today's settlement demonstrates the United States' determination to make sure health care providers do not overcharge federal health care programs," said Assistant Attorney General Peter Keisler, head of the Justice Department's Civil Division.

The allegations arose from a lawsuit filed by Dr. Christopher Mallavarapu, a cardiologist and former professional colleague of Dr. Patel. Under the whistleblower provisions of the federal False Claims Act, private individuals are allowed to sue on behalf of the United States and receive a portion of the proceeds of a settlement or judgment awarded against a defendant. As part of today's settlement, Dr. Mallavarapu will receive \$760,000. The United States intervened in the lawsuit, and it was unsealed, on May 5, 2006, in Lafayette.

"We applaud the investigators and prosecutors who continue to aggressively pursue on every front those who defraud and undermine government programs such as the Medicare program," said Donald W. Washington, U.S. Attorney for the Western District of Louisiana. "Every tax dollar

diverted by false claims or simply poor procedures reduces the system's ability to assist those needing medical treatment. We will use every civil or criminal tool available to my office to recover funds diverted by fraud or other mis-use."

"Fraudulent furnishing of medically unnecessary invasive procedures not only causes financial harm but puts patients at significant risk," said Daniel Levinson, Inspector General of the Department of Health & Human Services. "The Office of Inspector General will vigorously investigate such cases and require appropriate corrective action to safeguard future patient care."

The civil investigation and settlement were jointly handled by the Office of the U.S. Attorney for the Western District of Louisiana and the Civil Division of the Justice Department.

The action is entitled *United States ex rel. Christopher T. Mallavarapu v. Acadiana Cardiology, LLC et al.*, Civil Action No: 04-1732 (W.D. La.).

#

06-554